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Air Transport Association

ATA News

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AIRLINES POST RECORD TRAFFIC FOR AUGUST;
STILL EXPECT HEAVY LOSSES FOR 1992

WASHINGTON, D.C., September 18, 1992 -- In spite of carrying an all-time record 42.8 million passengers during August, the airline industry still expects to lose money during the usually strong third quarter, and post a loss of at least $1.7 billion for 1992, according to ATA President Jim Landry.

Speaking today to the Society of Travel Agents in Government, Landry explained that the airlines are engaged in a life or death struggle to turn around three years of catastrophic losses. "I have to add that this devastating economic situation has been further compounded by our own federal government, which has burdened the airlines with excessive taxes and regulations at the very time all of us--and the thousands of companies dependent upon us--are struggling for survival."

Landry said that based on recent remarks by Department of Transportation Secretary Andrew Card that recognized the need for less regulation, he was encouraged that this message might finally be getting through. "Governments the world over have long considered our industry a cash cow. Perhaps now at least

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our own government is finally opening the doors of its restrictive regulatory barn, giving us a chance to move toward green pastures."

Record traffic was posted by the airlines during both July and August, generated by heavy airline discounting. Landry said the action was taken by carriers attempting to fill millions of empty airline seats with the hope of increasing revenues. "Ultimately, the problem can only really be solved by an upturn in customer demand. But when the demand isn't there naturally, it can always be stimulated with the right price."

"There's a rather large contingent that relishes the outbreak of a fare war--particularly the millions of airline customers, hotels and car rental companies," Landry said. "But for airline financial officers, Wall Street and much of the travel agent community it's quite a different story."

The industry has been forced to retrench by making large layoffs, reducing capital spending plans by more than $20 billion since 1990 and cancelling or delaying delivery of new aircraft and reducing capacity.

Landry said that absent a truly disciplined federal regulatory process, "our industry's long-term prospects are bleak." He called on the government to properly identify problems and issues, and to provide meticulous projections of the costs of proposed regulations. "Any such proposal must pass the test of a reasonable cost/benefit analysis."

Airline traffic in August rose 9.6 percent compared with the same month last year. In domestic service, revenue passenger miles rose a record 12.7 percent in August, while available seat miles were up 1.8 percent. The passenger load factor averaged 76.2 percent, up from 68.8 percent for August 1991. Passenger enplanements climbed 11.7 percent to a record 42.8 million.

In international service, traffic in August was up 2.1 percent. Available seat miles increased 6.3 percent. The load factor averaged 75.1 percent, falling from 78.2 percent for August 1991, and 4.3 million passengers were enplaned in August 1992, down 3.2 percent from the same period last year.

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PRELIMINARY SCHEDULED PASSENGER TRAFFIC STATISTICS
U.S. SCHEDULED AIRLINE INDUSTRY

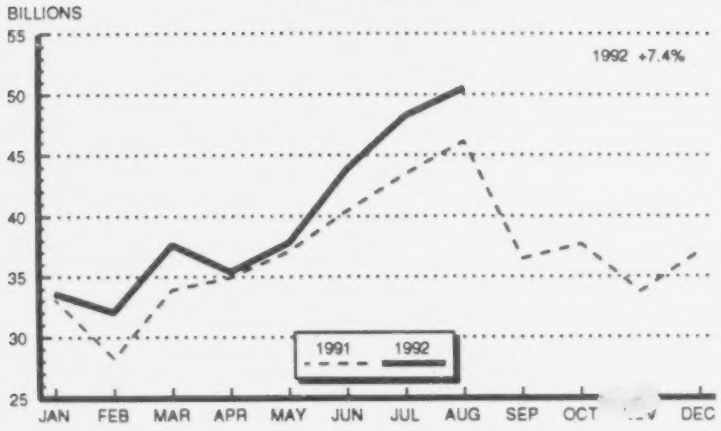
AUGUST 1992 - 1991

	AUGUST			YEAR TO DATE		
	1992	1991	PERCENT CHANGE	1992	1991	PERCENT CHANGE
DOMESTIC						
PASSENGER ENPLANEMENTS (000)	42,826	38,357	11.7	279,958	270,155	3.6
REVENUE PASSENGER MILES (000)	36,842,309	32,704,574	12.7	232,610,385	223,045,668	4.3
AVAILABLE SEAT MILES (000)	48,349,100	47,501,848	1.8	364,238,930	358,097,490	1.7
LOAD FACTOR (%)	76.2	68.8		63.9	62.3	
INTERNATIONAL						
PASSENGER ENPLANEMENTS (000)	4,331	4,473	(3.2)	28,063	25,830	8.6
REVENUE PASSENGER MILES (000)	13,675,648	13,390,236	2.1	86,526,753	74,195,416	16.6
AVAILABLE SEAT MILES (000)	18,201,264	17,124,122	6.3	127,334,938	109,479,160	16.3
LOAD FACTOR (%)	75.1	78.2		68.0	67.8	
TOTAL						
PASSENGER ENPLANEMENTS (000)	47,157	42,830	10.1	308,021	295,985	4.1
REVENUE PASSENGER MILES (000)	50,517,957	46,094,810	9.6	319,137,138	297,241,084	7.4
AVAILABLE SEAT MILES (000)	66,550,364	64,625,970	3.0	491,573,868	467,576,650	5.1
LOAD FACTOR (%)	75.9	71.3		64.9	63.6	

CARRIERS INCLUDED: AMERICA WEST, AMERICAN, CONTINENTAL, DELTA, EASTERN, NORTHWEST, PAN AMERICAN, SOUTHWEST, TRANS WORLD, UNITED, USAIR, ALASKA, ALOHA, HAWAIIAN, AND MIDWAY.

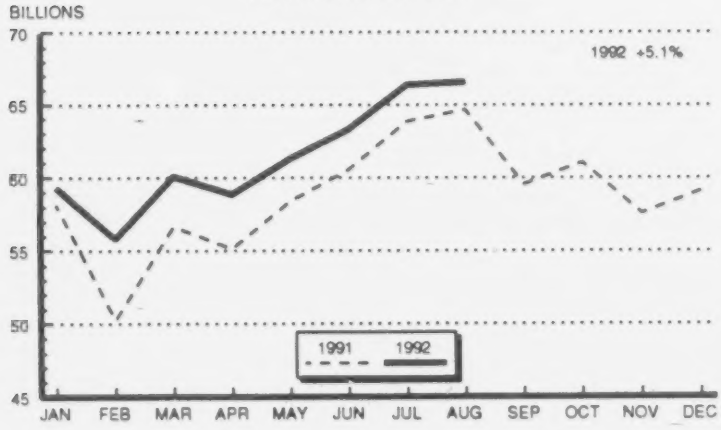
PASSENGER TRAFFIC

REVENUE PASSENGER MILES
U.S. SCHEDULED AIRLINES



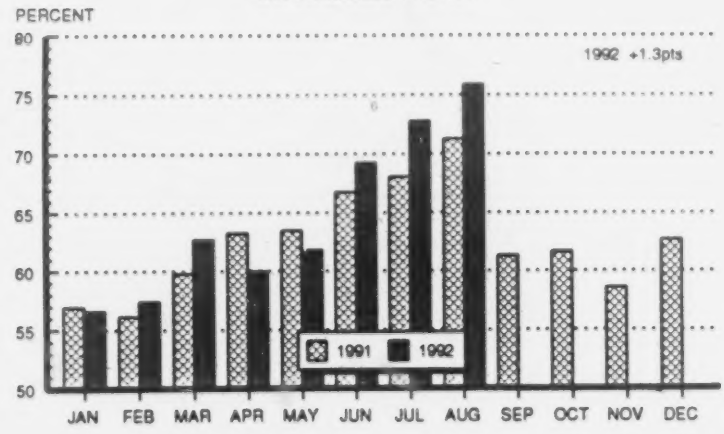
CAPACITY

AVAILABLE SEAT MILES
U.S. SCHEDULED AIRLINES



LOAD FACTOR

PERCENT OF CAPACITY UTILIZED
U.S. SCHEDULED AIRLINES



PRELIMINARY SCHEDULED PASSENGER TRAFFIC STATISTICS
SYSTEM OPERATIONS

MONTH	REVENUE PASSENGER MILES (000)	ANNUAL PERCENT CHANGE	AVAILABLE SEAT MILES (000)	ANNUAL PERCENT CHANGE	LOAD FACTOR	PASSENGER ENPLANEMENTS (000)	ANNUAL PERCENT CHANGE
1991							
January	33,122,285	(1.8)	58,138,799	(1.1)	57.0	33,239	(2.4)
February	28,250,887	(10.4)	50,232,971	(5.7)	56.2	30,741	(7.4)
March	33,909,607	(11.2)	56,681,410	(5.8)	59.8	35,850	(10.6)
April	34,890,837	(4.4)	55,153,385	(6.4)	63.3	36,241	(4.4)
May	37,079,539	(0.3)	58,389,884	(4.3)	63.5	37,182	(1.9)
June	40,437,642	(2.2)	60,522,153	(1.5)	66.8	38,880	(3.7)
July	43,455,477	(1.0)	63,832,078	(1.3)	68.1	41,022	(1.5)
August	46,094,810	(1.1)	64,625,970	(1.1)	71.3	42,830	(3.5)
September	36,470,419	(0.1)	59,538,782	(1.9)	61.3	34,604	(2.2)
October	37,683,000	0.6	61,048,393	(1.8)	61.7	37,159	(2.1)
November	33,762,251	(1.9)	57,597,691	(1.4)	58.6	33,870	(5.3)
December	37,053,311	3.6	59,116,724	(1.4)	62.7	36,671	2.5
TOTAL 1991	442,210,065	(2.4)	704,878,240	(2.8)	62.7	438,289	(3.5)
Jan – Aug	297,241,084	(3.8)	467,576,650	(3.3)	63.6	295,985	(4.4)
1992							
January	33,602,044	1.4	59,322,495	2.0	56.6	32,227	(3.0)
February	32,061,922	13.5	55,818,133	11.1	57.4	31,617	2.8
March	37,639,990	11.0	60,077,821	6.0	62.7	37,042	3.3
April	35,347,243	1.3	58,872,689	6.7	60.0	34,734	(4.2)
May	37,839,209	2.0	61,268,289	4.9	61.8	37,050	(0.4)
June	43,839,145	8.4	63,293,856	4.6	69.3	42,415	9.1
July	48,289,628	11.1	66,370,221	4.0	72.8	45,773	11.6
August	50,517,957	9.6	66,550,364	3.0	75.9	47,157	10.1
TOTAL 1992	319,137,138	7.4	491,573,868	5.1	64.9	308,015	4.1